

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT TACOMA

AMRISH RAJAGOPALAN, MARIE JOHNSON-PEREDO, ROBERT HEWSON, DONTE CHEEKS, DEBORAH HORTON, RICHARD PIERCE, ERMA SUE CLYATT, ROBERT JOYCE, AMY JOYCE, ARTHUR FULLER, DAWN MEADE, WAHAB EKUNSUMI, KAREN HEA, and ALEX CASIANO on behalf of themselves and all others similarly situated,

Plaintiffs,

V.

MERACORD, LLC,

Defendant.

and

FIDELITY AND DEPOSIT COMPANY OF  
MARYLAND and PLATTE RIVER  
INSURANCE COMPANY,

## Proposed Defendant-Intervenors.

No. 12-cv-05657-BHS

**FINAL JUDGMENT AND ORDER  
GRANTING PLAINTIFFS' MOTION  
FOR DEFAULT FINAL JUDGMENT**

1        This matter comes before the Court on Plaintiffs' Motion for Default Final Judgment  
 2 ("Motion"). Upon consideration of the foregoing Motion, the papers submitted in support and  
 3 opposition thereto, and good cause appearing, Plaintiffs' Motion is GRANTED, and IT IS  
 4 HEREBY ORDERED that:

5        In accordance with Rule 23(a), 23(b)(1)(B) and 23(g) of the Federal Rules of Civil  
 6 Procedure a class ("Judgment Class" or "Class") is hereby certified as follows:

7        All persons in a Surety State who established an account with  
 8 Meracord LLC (formerly NoteWorld) or any subsidiary thereof  
 9 from which Meracord processed any payments related to debt  
 settlement, including MARS, within the Bond Period of their state  
 of residence.

10      Surety States and respective Bond Periods are defined as set forth in Appendix A.

11      Excluded from the Class are Defendant, its officers and directors, members of their  
 12 immediate families and their legal representatives, heirs, successors, or assigns, and any entity in  
 13 which Defendant has or had a controlling interest. Also excluded are (1) Meracord customers in  
 14 Washington state whose debt settlement accounts were opened between July 26, 2007, and  
 15 October 18, 2011 (those within the Class Period covered by the settlement in *Wheeler v.*  
 16 *NoteWorld*, 2:10-cv-00202-LRS (E.D. Wash.)); (2) Meracord customers in Georgia whose debt  
 17 settlement accounts were opened between July 26, 2007, and July 28, 2011 (those within the  
 18 Class Period covered by the settlement in *Morefield v. NoteWorld*, Case No. 1:10-CV-00117  
 19 (S.D. Ga.)); and (3) Meracord customers who signed agreements with Debt Shield as their Front  
 20 DRC, and whose accounts were opened between July 26, 2007, and September 25,  
 21 2013 (those within the Class Period covered by the settlement in *Haile v. Debt Shield*, Case  
 22 No. 2:08-CV-04295 (W.D. Mo.)).

23      With respect to the Judgment Class, the Court finds that class-wide application of  
 24 Washington law is appropriate.

25      With respect to the Judgment Class, the requirements of Rules 23(a) have been met in that:  
 26 (1) the number of Judgment Class Members, over 130,000, is so numerous that joinder is  
 impracticable and members of the Class are ascertainable through Meracord's customer

1 database; (2) there are questions of law and fact common to the class; (3) the claims of the  
 2 twelve Class representatives are typical of the claims of the Class; and (4) the twelve Class  
 3 representatives will fairly and adequately protect the interests of the Class.

4 Certification is appropriate under Rule 23(b)(1) because there are limited and insufficient  
 5 funds available to compensate the Class. All of the available funds will be devoted to  
 6 compensating Class members, less allowances for costs and attorneys' fees. Certification is  
 7 necessary to ensure that all similarly situated Class members are treated equitably.

8 Pursuant to Rule 23(c)(2)(A), in light of the Defendant's limited resources, the Court  
 9 determines that notice at this juncture would diminish funds that might later be available to the  
 10 Class. In the event of a recovery on behalf of the Class, the Court will direct appropriate notice.

11 Rule 23(g) is satisfied because Plaintiffs' counsel will fairly and adequately represent the  
 12 interests of the Judgment Class. The Court therefore appoints Hagens Berman Sobol Shapiro  
 13 LLP and The Paynter Law Firm PLLC as class counsel.

14 Judgment against Defendant on behalf of the Judgment Class is granted on all causes of  
 15 action asserted in the Complaint, except for Count IX.

16 Based on the review of the April 9, 2015 Declaration of Lorraine M. Tafoya, the Court  
 17 finds that the judgment class is entitled to damages of \$484,757,939.30. Pursuant to Section  
 18 1964(c) of RICO, this amount will be trebled for a total judgment of \$1,454,273,818.90. The  
 19 Court orders that this judgment amount be allocated as described in Appendix A attached hereto.

20 There is no reason for delay in the entry of judgment against Defendant and final judgment  
 21 is appropriately entered pursuant to Federal Rule of Civil Procedure 54(b).

22 The Court reserves jurisdiction over this action including all proceedings on behalf of the  
 23 Class concerning the collection or enforcement of this judgment. In the event that the Class  
 24 representatives, on behalf of the Class, seek to satisfy this judgment from Meracord's surety  
 25 bonds, Class representatives, on behalf of the Class, shall file a complaint against Meracord's  
 26 sureties within thirty (30) days of this Order.

1 IT IS SO ORDERED.  
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Dated: May 14, 2015

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BENJAMIN H. SETTLE  
United States District Judge

**Presented By:**

HAGENS BERMAN SOBOL SHAPIRO LLP

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## APPENDIX A

Surety States	Bond Period	Damages	Trebled Damages
ALABAMA	July 24, 2009–Present	\$8,401,551.06	\$25,204,653.18
ALASKA	August 5, 2009–Present	\$1,898,430.86	\$5,695,292.58
ARIZONA	November 29, 2008–Present	\$16,968,239.23	\$50,904,717.69
ARKANSAS	July 31, 2010–Present	\$3,741,038.29	\$11,223,114.87
CALIFORNIA	April 15, 2012–Present	\$43,310,443.64	\$129,931,330.92
COLORADO	August 6, 2008–Present	\$8,363,590.85	\$25,090,772.55
CONNECTICUT	November 1, 2007–Present	\$7,496,231.23	\$22,488,693.69
DELAWARE	September 21, 2009–Present	\$1,706,170.25	\$5,118,510.75
WASHINGTON, D.C.	October 19, 2009–Present	\$644,912.56	\$1,934,737.68
FLORIDA	February 1, 2009–Present	\$46,680,334.98	\$140,041,004.94
GEORGIA	January 12, 2009–Present	\$188,360.75	\$565,082.25
HAWAII	July 9, 2009–Present	\$2,885,833.25	\$8,657,499.75
IDAHO	August 3, 2009–Present	\$3,652,248.65	\$10,956,745.95
ILLINOIS	October 27, 2010–Present	\$16,376,224.92	\$49,128,674.76
INDIANA	February 5, 2009–Present	\$13,372,177.89	\$40,116,533.67
IOWA	March 1, 2009–Present	\$6,248,808.75	\$18,746,426.25
KANSAS	July 15, 2009–Present	\$2,151,401.30	\$6,454,203.90
KENTUCKY	October 19, 2009–Present	\$4,086,811.33	\$12,260,433.99
LOUISIANA	March 20, 2009–Present	\$8,293,679.83	\$24,881,039.49
MAINE	July 24, 2009–Present	\$2,369,514.51	\$7,108,543.53
MARYLAND	January 1, 2009–Present	\$15,776,570.67	\$47,329,712.01
MICHIGAN	December 31, 2010–Present	\$14,222,259.40	\$42,666,778.20
MINNESOTA	February 13, 2009–Present	\$11,326,539.60	\$33,979,618.80
MISSISSIPPI	May 5, 2009–Present	\$2,729,093.96	\$8,187,281.88
MISSOURI	October 10, 2010–Present	\$9,430,734.00	\$28,292,202.00
NEBRASKA	May 29, 2009–Present	\$3,508,251.64	\$10,524,754.92
NEVADA	May 5, 2009–Present	\$8,622,199.63	\$25,866,598.89

1	NEW HAMPSHIRE	November 30, 2008–Present	\$1,602,750.07	\$4,808,250.21
2	NEW JERSEY	November 30, 2008–Present	\$19,610,666.43	\$58,831,999.29
3	NEW YORK	July 2, 2009–Present	\$43,671,792.60	\$131,015,377.80
4	NORTH CAROLINA	March 5, 2009–Present	\$9,732,260.47	\$29,196,781.41
5	NORTH DAKOTA	September 23, 2009–Present	\$817,831.82	\$2,453,495.46
6	OHIO	April 1, 2009–Present	\$26,807,867.56	\$80,423,602.68
7	OKLAHOMA	March 23, 2009–Present	\$5,752,789.17	\$17,258,367.51
8	PENNSYLVANIA	June 27, 2008–Present	\$37,269,259.79	\$111,807,779.37
9	RHODE ISLAND	June 23, 2009–Present	\$2,575,094.09	\$7,725,282.27
10	SOUTH DAKOTA	August 5, 2009–Present	\$1,004,159.76	\$3,012,479.28
11	TENNESSEE	September 22, 2010–Present	\$6,507,283.81	\$19,521,851.43
12	TEXAS	October 3, 2007–Present	\$53,460,876.24	\$160,382,628.72
13	VERMONT	September 21, 2009–Present	\$682,327.37	\$2,046,982.11
14	VIRGINIA	August 27, 2009–Present	\$141,593.26	\$424,779.78
15	WASHINGTON	September 29, 2008–Present	\$49,706.58	\$149,119.74
16	WEST VIRGINIA	March 20, 2009–Present	\$2,060,221.61	\$6,180,664.83
17	WISCONSIN	June 3, 2009–Present	\$7,571,680.50	\$22,715,041.50
18	WYOMING	October 22, 2009–Present	\$988,125.14	\$2,964,375.42
	<b>TOTAL FEES</b>		<b>\$484,757,939.30</b>	<b>\$1,454,273,817.90</b>